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Italian Authorities release Brunello wine investigation details

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Report Highlights:

The Italian Magistrate and the Guardia di Finanza (Italian Treasury Department) following the Brunello di Montalcino wine investigation have finally released information pertaining to the case in which five wineries and millions of liters of Brunello and other wines have been declassified.

General Information:

Italian Authorities Release Investigation Information

The Italian Magistrate and the Guardia di Finanza (Italian Treasury Department) following the Brunello di Montalcino wine investigation have finally released information pertaining to the case. According to the Florence edition of Italian national daily *La Repubblica*, the Guardia di Finanza reported in a press conference that 20 percent of the 6.7 million liters of Brunello di Montalcino wine impounded by the Magistrate last year and 40 percent of 1.7 million liters of the Rosso di Montalcino DOC and Chianti Classico DOCG have been declassified from DOCG and DOC status to IGT Toscana Rosso.

In essence -- 1.3 million liters of Brunello di Montalcino wine have been declassified to IGT Tuscan Red wine (which costs a lot less than the real Brunello), more than 500,000 liters of Rosso di Montalcino wine have been declassified to IGT Tuscan Red wine, and finally 100,000 liters of Chianti DOCG have been declassified to IGT Tuscan Red wine. Last but not least, 100,000 liters of IGT Tuscan Red wine will be distilled.

At the conclusion of an investigation, dubbed "Operation Mixed Wine" and launched in September 2007 by Italian authorities, 5 wineries have been cited for adulteration of their wines, which have been "cut and softened" with unauthorized grapes according to the official findings. At least 13 perople have been named in the investigation's findings and at least one person has been cited for falsifying public documents.

Alleged Wineries Involved

The five wineries reported in the press as having been found by the Magistrate and the Guardia di Finanza to have bottled wine from 2003-2007 "not in conformity with appellation regulations" are:

Antinori Argiano Banfi Casanova di Neri Marchesi de' Frescobaldi.

According to the Guardia di Finanza press conference, Biondi Santi and Col d'Orcia were also investigated by the Magistrate but were cleared by investigators of any wrongdoing. Other press reports state that the Italian authorities have pressed charges against 17 individuals, 9 of which have entered a plea bargain with the Magistrate admitting to the accusations of wine adulteration. Accusations range from commercial fraud to false statements.

In a press release from the Brunello di Montalcino Consortium they report that the Italian GDF police have found 42 acres (approximately one percent of the total production region) in violation of DOCG rules.

Extension of the Zaia Decree

Of note is that Italian Minister of Agriculture Luca Zaia recently signed on June 5, 2009 for the second time the extension of a decree which authorizes the monitoring of Brunello di Montalcino wine production by the Italian government's ICQ (Central Quality Inspectorate). The decree was to expire on July 3, 2009 but was extended until December 31, 2009. This extension is based on a decree presented by Zaia back in July 2008 that made the ICQ the Italian government's official oversight body for the appellation and production of Brunello wine. At that time, following an agreement with the Alcohol and Tobacco Tax and Trade Bureau (TTB) all Brunello wine exported to the U.S. was to be accompanied by Italian government certification. Zaia instructed the ICQ to test and certify samples of Brunello wine submitted by producers and to issue certification of its conformity to appellation regulations. Zaia was recently quoted as saying, "The extension was necessary because, thanks to specific quality control procedures overseen by the Inspectorate for the monitoring of agricultural food products, we have been able to avoid the indiscriminate trade block of Brunello imports by U.S. customs authorities. The extension will allow us to maintain the flow of exports of this prestigious product and it will restore faith in Italy's monitoring system."

For previous Post reporting on the Brunello investigation please refer to IT8009, IT8020, IT8034, and IT8043.